



FOR IMMEDIATE RELEASE

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TFSL ANNOUNCES STRATEGIC REALIGNMENT

TFSL has a proud history of delivering a range of services including aged care and private health insurance however after an exhaustive strategic review of stakeholders and an analysis of the current and future needs of stakeholders, the Board recognised the time was right for significant change.

The Board determined that the service level standards TFSL offered to membership were not sustainable for a small organisation existing in an environment of ever increasing regulation and technological change.

The need to operate on a greater scale and to transfer the service delivery to larger organisations that share TFSL's long held quality standards was clear. One overarching principle was adopted by the Board; that any organisation it chose to transfer ownership to must enhance the services that TFSL currently provides. It has been an arduous journey but the Board is confident it has delivered on this principle.

The Board developed a tender process which included criteria based on delivering an outcome to TFSL shareholders, organisational stability, and the protection of member benefits and staff retention. The benefits to members and shareholders has always been at the forefront of the Board's strategic planning which informed the decision to transfer ownership to Mecwacare and Primary Health Care Limited.

The development of this process included obtaining detailed financial, actuarial and legal advice to ensure TFSL exercised due diligence in meeting its statutory and regulatory obligations.

TFSL & MECWACARE PARTNERSHIP

After extensive consultation with our in-house aged care management team and industry experts, a number of quality experienced aged care providers were invited to tender for the purchase of Park Hill Gardens aged care facility. In the final evaluation of the proposals received, one stood out clearly.

The not-for-profit service, Mecwacare was selected.

Mecwacare is a major provider of residential, nursing and support services for the frail aged, disadvantaged and people with special needs and disabilities. Mecwacare's primary objective is to enhance the quality of life of people in need of care, especially the elderly, through the delivery of innovative, responsive and fully-evaluated services offered in residential settings, community facilities and clients' homes.

Chairman Martyn Pickersgill states 'Mecwacare is an organisation with a strong track record of success in the provision of residential aged care in Victoria. We are particularly pleased to partner with Mecwacare as their expertise in aged care will be highly valued in Park Hill Gardens by both residents and their families whilst we continue to provide service to the Mornington Retirement Village community'.

Mecwacare Chief Executive Michele Lewis said that 'mecwacare is thrilled to be able to welcome residents of Park Hill Gardens to the mecwacare family. We have over 55 years of experience in provision of quality care and services to older people and people with a disability, and we look forward developing a strong relationship with the residents of the Mornington community. We see the opportunity for an ongoing relationship with the Transport Friendly Society within the retirement village.'

Mecwacare Chairman John Hood said that the purchase of Park Hill Gardens is a crucial component of their strategic plans for growth and service expansion and that mecwacare has a proud history of providing quality care services within local communities.

TRANSPORT HEALTH & PRIMARY HEALTH CARE LIMITED

An organisation listed on the Australian Stock Exchange, with a strong capital value and a successful track record of service provision in the health sector, Primary Health Care Limited was selected as the purchaser of Transport Health.

Primary Health Care Limited is Australia's leading provider in accessible and affordable health care services with locations throughout Australia for medical centres, diagnostic imaging practices, pathology laboratories, dental practices and day surgeries.

Primary Health Care Limited operates services with a wide range of ancillary allied health services such as dentistry, physiotherapy, psychology, podiatry and dietetics. Operating 15 medical centres and 11 dental centres across Victoria, Primary's services are also supported by their ownership of Dorevitch pathology.

TFSL CEO Derek Cafferty states 'We are thrilled that Primary Health Care Limited will continue to provide the same level of service to our members who will now qualify for inclusion in the broader service network in which Primary Health operates'.

Primary's chief executive Dr Edmund Bateman said 'We look forward to working with the existing Transport Health team to drive the future growth of the business and provide innovative and competitive products to current and future policyholders'.

The TFSL Board are confident that the financial benefits returned to the company resulting from these two exciting ventures will further strengthen TFSL in its business endeavours.

TFSL looks forward to a strong working relationship with both Primary Health Care and Mecuware in the future as TFSL extends its expertise to other areas of business.

MEDIA ENQUIRIES

TFSL Chairman Martyn Pickersgill and TFSL CEO Derek Cafferty are available for interview.

For all media enquiries and interview requests please contact the TFSL Communications Consultant Serena Ryan Telephone: (03) 9275 8012. Mobile 0402 884 701 Email: s.ryan@tfsigroup.com.au